

AFFIDAVIT OF DAVID C. FRENCH

I, DAVID C. FRENCH, upon being first duly sworn, do hereby declare, under penalty of perjury, that the following is true and correct:

1. I am currently employed by Citizens Utilities Company as General Manager of Citizens Mohave Cellular. My business address is 415 East Andy Devine, Kingman, Arizona, 86401. The following Affidavit is based on my personal knowledge, information and belief.

2. Citizens Utilities Company is the general partner and system manager of Mohave Cellular Limited Partnership doing business as Citizens Mohave Cellular, ("Mohave Cellular"), the Block B cellular telecommunications provider in Arizona RSA 1, Mohave County, Arizona.

3. Mohave Cellular received a certificate of convenience and necessity from the Arizona Corporation Commission ("ACC") to provide cellular telecommunications service on December 29, 1992 in Decision No. 58122, Docket No. U-2666-92-089.

4. Mohave Cellular currently provides local, long-distance and roaming service to customers in Arizona RSA 1. It operates six cell sites.

5. Satellite Cellular Systems Partnership ("Satellite Cellular") is the Block A cellular telecommunications provider in Arizona RSA 1. It also provides local, long-distance, and roaming service to its customers in Arizona RSA 1. It operates three cell sites and has applied to the FCC for authority to operate nine additional cells.

6. Mohave Cellular directly competes with Satellite Cellular for customers and business in Arizona RSA 1.

7. In addition to the competition of Satellite Cellular, Mohave Cellular directly competes for customers and business with approximately twelve (12) entities, all of which provide Commercial Mobile Radio Service ("CMRS") as that term is defined by the Federal Communications Commission ("FCC"). A list of some CMRS providers appears as Exhibit "A" to my Affidavit.

8. The SMRS and Paging providers listed in Exhibit "A" sell all or part of their service to the public in Arizona RSA 1 vicinity. Collectively, these providers have service offerings for customers:

- (1) to originate and terminate local telephone calls to members of the public within the local calling area;

- (2) to originate and terminate long-distance telephone calls to members of the public.
- (3) to receive roaming service when they travel outside of their "home" area;
- (4) to provide roaming service to others when they travel within the Arizona RSA 1;
- (5) to receive bills that detail all applicable rates and charges for their service.
- (6) to provide messaging service.

9. To the best of my knowledge, information and belief, the CMRS businesses who compete with Mohave Cellular are not regulated by the ACC in any respect. The fact that such businesses are not regulated by the state puts Mohave Cellular at a competitive disadvantage because of the added costs of regulation, and the inflexibility of the ACC's regulation of roaming.

10. In addition to Satellite Cellular and the CMRS businesses listed in Exhibit "A," Mohave Cellular competes in two of the three largest towns in Mohave County with the Block A and B cellular carriers from the adjoining Las Vegas, Nevada and Los Angeles, MSA's. Bullhead City, Arizona, and Lake Havasu City, Arizona are municipalities within the Arizona RSA 1, on the Arizona side of the Colorado River, which divides Arizona, California and Nevada. In both cities, Mohave Cellular competes for customers and business with cellular carriers operating from the Nevada and California side of the river, which have de minimis extensions into Mohave County.

11. In addition to Satellite Cellular, the CMRS providers in Exhibit "A" and the Nevada and California cellular carriers, up to six (6) personal communication service ("PCS") licenses will be available for issuance by the FCC in the general geographic area in which Mohave Cellular operates and does business. When operating, these additional telecommunications providers will bring even more competition into the Arizona RSA 1 marketplace.

12. Mohave Cellular filed with the ACC a wholesale rate sheet after it received its certificate of convenience and necessity. That rate sheet is attached to my Affidavit as Exhibit "B." Mohave Cellular's wholesale rates may be changed within the 0-50% discount range at any time upon fifteen (15) days notice. The ACC did not require or establish for Mohave Cellular a "rate base" or "rate of return" at any time prior to the filing or effectiveness of the wholesale rate sheet.

13. Mohave Cellular's retail rates to customers are not regulated by the ACC. No retail rate sheet is filed or required to be filed with the ACC and the ACC does not review any retail provider's costs, revenues, rate base or rate of return. Mohave

Cellular's retail rates are established as a result of competitive market forces.

14. According to the Cellular Telephone Industry Association ("CTIA") statistical results through June 1994, the national average price per peak minute of use is 39 cents per unit. Due to competitive market conditions, Mohave Cellular's average price per peak minute is 33 cents per minute. The CTIA national average for off-peak is 28 cents per minute. Again, to meet competitive forces Mohave Cellular's average price per off-peak minute is 17 cents per minute.

15. Mohave Cellular has received no formal complaints from customers in regard to any aspect of its business operations from the time it commenced service to and including the date hereof.

16. All inhabited areas of Mohave County are served by both land line and cellular service. I am not aware of any inhabited area in Mohave County in which cellular service is the sole means of telecommunications service available.



David C. French

STATE OF ARIZONA)
) ss.
County of Mohave

SUBSCRIBED AND SWORN TO before me this 14th day of
September 1994 by David C. French


Notary Public

My Commission Expires:

5-8-96

EXHIBIT A

Auto Mania - Bullhead City

Security Postal Systems - Bullhead City

Advanced Mobilecomm - Kingman & Bullhead City

Mr. Radio - Bullhead City & Lake Havasu City

Mohave Communications - Lake Havasu City

Vine Communications - Kingman

Western Electronics & Communications -
Kingman

American Paging - Bullhead City

Southwest Communications - Bullhead City

Fisher Communications - Lake Havasu City

Confidential Communications -

Cactus Cellular - Bullhead City

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

TABLE OF CONTENTS

	Page(s)
I. Applicability	2
II. Definitions	3-4
III. Conditions	5-13
Undertaking of the Company	5
Availability of Service	5
Limitation of Liability	6-7
Minimum Service Period	8
Use of Service	8
Disconnection for Cause	9
Operator Assistance	9-10
Provision of Cellular Equipment	10
Deposits	10-11
Payment of Charges	11
Late Payment Charge	12
Returned Check Charge	12
Telephone Numbers	12
Timing of Calls	12
Use of Marks	13
IV. Rates and Charges	13-18
Service Plan	13
Advance Billing	13
Time of Day Usage Sensitive Rates	13-14
Access Numbers	14
Usage	14
Minimum Monthly Charge	14-16
Discounts	14-15
Access	15
Usage	15-16
Service Establishment Charge	16
Service Change Charge	16
Pass on Charges	16
Roamer Service	16-17
Special Features	18
Other Miscellaneous Charges	18 (N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

I. APPLICABILITY

The regulations and charges as set forth in this tariff are applicable to Cellular Radio Telecommunications Service rendered by the Company.

Cellular service is furnished through facilities owned and operated by the Company which will be interconnected to the Public Telephone Switched Network.

The Company reserves the right to make changes, additions or deletions to this tariff from time to time, subject to the jurisdiction of the Arizona Corporation Commission, other state or federal agencies and the requirements of state or federal law.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

II. DEFINITIONS

Access Number

A telephone number provided to a customer by the Company and that access, either alone or with other numbers, the customer's or an authorized user's cellular unit, enabling access to the cellular system.

Authorized User

A person, firm or corporation that is authorized by the customer to use the Cellular Radio Telecommunications Service purchased by the customer.

Cell

A geographic region within which calls are expected to be served by a particular cell site.

Cell Site

A building location containing antenna and radio equipment necessary to complete the talking path between a mobile radio unit and the Mobile Telecommunications Switching Office.

Cellular Geographic Service Area (CGSA)

The geographical area the Company is authorized to serve by the Federal Communications Commission.

Cellular Radio Telecommunications Service

The furnishing of radio communications on the 800 Mhz band of frequency which provides for telecommunications between cellular radio units and conventional telephone systems or between cellular radio units.

Cellular System

A telecommunications system that is comprised of a mobile telecommunications switching office (MTSO) cell sites and dedicated interconnecting facilities to provide cellular radio telecommunications service.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

II. DEFINITIONS (Cont'd)

Company

Mohave Cellular Limited Partnership, of which Citizens Utilities Company is the general and operating partner.

Customer

The person, firm, corporation or other legal entity responsible for the payment of charges to the Company.

Landline Service

Exchange telephone service that utilizes fixed physical transmission facilities - in contrast to Cellular Radio Telecommunications Service which utilizes radio frequencies.

Cellular Unit

The customer's or authorized user's radio telecommunications equipment, capable of being moved from location to location, that is technically and operationally compatible with the cellular system.

Mobile Telecommunications Switching Office (MTSO)

The switching and control equipment which coordinates and controls the routing and completion of calls in a cellular system.

Roamer

Foreign - A cellular access number belonging to the customer of another cellular provider with which the Company has an intercarrier agreement.

Credit Card Roamer - A cellular access number belonging to a customer of a Carrier with which the Company has no inter-carrier agreement.

Service

Cellular Radio Telecommunications Services provided by the Company.

Usage

A period of time during which a customer or authorized user uses or receives calls on the cellular system and incurs charges for such use.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS

A. Undertaking of the Company

1. The Company undertakes to provide the service offered in this tariff at the terms and conditions and at the rates and charges specified herein. This undertaking is dependent upon the Company's ability to obtain, retain and maintain, without unreasonable expense, suitable facilities and rights for the construction and maintenance of the necessary circuits and equipment.
2. The Company does not undertake to transmit messages, but offers the use of its facilities for communications by its subscribers.

B. Availability of Service*

1. The furnishing of service under this tariff will require certain physical arrangements of the facilities of the Company and is, therefore, subject to the availability of such facilities.
2. Service is available to cellular units equipped to operate within the specified frequency range and within range of a cell site in the Mohave Cellular Geographical Service Area.
3. Service may be refused or limited because of system capacity limitations.
4. Service is subject to transmission limitations caused by atmospheric, terrain and other disruptive conditions.
5. Service to any and all customers may be interrupted or curtailed due to equipment modifications, upgrades, relocations, repairs, and similar activities necessary for the proper or improved operation of the service.

*Initially, service will be available and conditional upon receipt of necessary regulatory approvals by the Company, including receipt of a covering license issued by the Federal Communications Commission and the Arizona Corporation Commission (ACC).

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

C. Limitation of Liability of the Company

1. The services and facilities furnished by the Company are subject to the terms, conditions and limitations herein specified. The Company supplies a service and not "good(s)" as that term is defined in the Uniform Commercial Code. However, and without limitation of the foregoing, to the extent that any portion of the service offered by the Company might be construed as a good(s), the Company expressly disclaims any and all implied warranties of whatsoever nature including but not limited to the warranty of merchantability and fitness for a particular use.
2. In the event of an interruption of the service for a period of twenty-four (24) hours or longer, a credit allowance will be made, at the customer's request. This allowance will consist of a pro rata adjustment of any fixed monthly charges involved for the service during the time said interruption continues in excess of twenty-four (24) hours from the time it is reported to the Company or detected by the Company. For the purpose of administering this regulation, every month is considered to have thirty (30) days. This allowance is the sole and exclusive measure of damages for which the Company is liable for any service interruption. A credit allowance will not be given for interruptions caused by the negligence or willful act of the customer or authorized user or interruptions caused by the failure of equipment or service not provided by the Company. This credit allowance will apply only to specific access numbers where the customer has received a request for adjustment from an end user. Requests for an allowance must be made in the billing period in which the interruption occurs or is waived.
3. The liability of the Company for direct, incidental or consequential damages or costs arising from errors, mistakes, omissions, interruptions, failures, delays, defects or malfunctions of equipment, in the course of establishing, furnishing, maintaining, rearranging, moving, terminating, or changing the service (including the obtaining or furnishing of information in respect thereof or with respect to the customers or users of the service or facilities), in the absence of willful and wanton conduct, whether a claim for such liability is premised upon breach of contract, warranty, fulfillment, or warranty, negligence, strict liability, misrepresentation, fraud, or any other theories of liability, shall in no event exceed an amount equivalent to the

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

C. Limitation of Liability of the Company (Cont'd)

3. (Cont'd)

proportionate charge to the customer (as determined by the provision of the immediately preceding paragraph) for the period of service during which such mistake, omission, interruption, failure, delay, error or defect or malfunction occurs. The Company expressly disclaims all liability associated with the publishing, non-publishing or other use of any telephone numbers associated with the delivery of the service.

4. The Company shall be indemnified and saved harmless by the customer or customers against claims for libel, slander, or the infringement of copyright arising from the customer's use of facilities or service furnished by the Company; and against all other claims arising out of any act or omission of the customer or authorized user in connection with the facilities or service provided by the Company.

5. The Company's liability for recording service and billing is as follows:

- a. If access or message detail, of whatever nature, is not available because the Company lost or damaged tapes or incurred recording system outages, the Company will estimate the volume of activity and associated revenue based on previously known values and/or billing data. Based thereon, the Company will bill the customer for activity occurring during the period on an average or estimated basis.
- b. When the Company is notified that, due to its error or omission, incomplete data has been provided to a customer, the Company will make every effort to locate and/or recover the data and provide new magnetic tapes to the customer at no additional charge. Such request to recover the data must be made within thirty (30) days from the date the details were initially made available.
- c. Except for the remedies set forth in (a) and (b), the Company shall not be liable to the customer for damages attributable to its acts or omissions in the performance of recording/billing service, in the absence of willful misconduct.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

D. Minimum Service Period

The minimum service period for each item provided is one month unless stated otherwise in this tariff.

E. Use of Service

1. The service is provided for use by the customer and may be used by others, when so authorized by the customer, providing that all such usage shall be subject to the provisions of this tariff and charges for all usage, authorized or not, shall be the responsibility of the customer.
2. Termination of a telephone number associated with cellular service shall be restricted to a single end unit.
3. Orders, including those which involve the start, a change or the discontinuance of service, will be accepted by the Company only from the customer or the customer's authorized agent.
4. The service is furnished subject to the condition that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of service includes but is not limited to:
 - a. The obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain cellular service, by rearranging, tampering with, or making connection with any facilities or services of the Company, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or in part, of the regular charge for such service.
 - b. The use of service or facilities of the Company for a call or calls, anonymous or otherwise, if in a manner reasonably expected to frighten, abuse, torment or harass another.
 - c. The use of profane or obscene language.
 - d. The use of the service in such a manner as to interfere unreasonably with the use of the service by one or more other customers.
 - e. Service shall not be used for any purpose or in any manner in violation of law or this tariff.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

F. Disconnection for Cause

1. Upon nonpayment of any sum due the Company for a period of twenty-two (22) days after the date the bill is rendered, or upon a violation of any of the conditions governing the furnishing of service as provided in this tariff and/or the provisions of the Arizona Corporation Commission's rules, the Company may, by five (5) days advance notice in writing to the customer, without incurring any liability, either temporarily discontinue the furnishing of service to that customer or terminate the contract. In the event of termination for nonpayment, the Company will contact any authorized user known to the Company to advise the authorized user of (1) the possibility of service discontinuance and (2) the existence of all other customers from whom the service may be obtained. This contact as described above shall be attempted by the Company at least seven (7) days prior to the date upon which service may be terminated.
2. If any customer or authorized user equipment is used with facilities provided by the Company in violation of any of the provisions of this tariff, the Company will take such actions as are necessary for the protection of its facilities and service. The customer shall discontinue such use of the equipment or correct the violation immediately and shall confirm in writing to the Company within five (5) days (following the Company's giving written notice) that such use has ceased or that the violation has been corrected. Failure of the customer to discontinue such use or correct the violation and to give the required written confirmation to the Company within the time stated above shall result in interruption of the customer's service until such time as the customer complies with the provision of this tariff.
3. Service may be refused or discontinued without notice in the event the service is used in such a manner that will adversely affect the Company's service to others or for any other reason allowed under this tariff and permitted by the Arizona Corporation Commission's rules including, but not limited to, A.C.R.R. R-14-2-509.B.

G. Operator Assistance

1. Operator assistance is not provided by the Company.
2. Operator assisted calls cannot be billed to the access number.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

G. (Cont'd)

3. Access to an operator providing wireline assistance can be obtained by dialing 0 or 0+ to place calling card, third number or collect calls.

H. Provision of the Cellular Unit

1. The Company shall not be responsible for the installation, operation, quality of transmission or testing and maintenance of any cellular unit unless sold and installed by the Company and in that event the sales contract will govern.
2. The authorized user must provide and maintain all terminal equipment to ensure that it is technically and operationally compatible with the cellular system and in compliance with applicable Federal Communications Commission rules and regulations.
3. The operating characteristics of such equipment or cellular unit shall be such as not to interfere with the service offered by the Company.

I. Deposits

1. The Company may at any time require a potential or existing customer to make a suitable deposit to be held by the Company as a guarantee of the payment of charges in compliance with this tariff and the rules of the Arizona Corporation Commission. The form of deposit shall be cash.
2. The amount of a deposit which a potential or existing customer may be required to pay shall not exceed an amount equal to two and one-half (2½) times the estimated maximum monthly charges including usage and toll. The amount of a deposit may be adjusted when it is established that the character or degree of use of the service will materially change in the immediate future or has changed since the placement and determination of the deposit amount.
3. At such time as the service is terminated, the amount of the deposit, including accrued interest, will be credited to the customer's final bill and any credit balance which may remain will be refunded. Deposits may also be returned at any time prior to termination of service at the option of and at the sole discretion of the Company if the credit of the customer warrants. Where cash deposits have been secured, the Company may return the deposit provided there has been no delinquency in payment of any bill in the preceding twelve (12) month period. (N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

I. Deposits (Cont'd)

4. Simple interest of six percent (6%) will be paid on all sums retained on deposit by the Company. Such interest will begin to accrue on the day of deposit and will stop on the date of settlement or withdrawal of the deposit. No interest will be paid on a deposit or any portion of a deposit after the date on which a notice of refund is placed in the U.S. mail addressed to the last known address of the customer.
5. The fact that a deposit has been made neither relieves the customer from complying with the Company's regulations concerning the prompt payment of bills on presentation nor constitutes a waiver or modification of the regulations of the service for nonpayment of any sums due the Company for service rendered.

J. Payment of Charges

1. The customer is responsible for payment of all charges for services furnished including, but not limited to, all calls originated by or completed to the customer's block(s) of access numbers, as well as any other charges from a connecting carrier. Charges are based on tariff rates and regulations in effect at the time service is furnished. Usage charges in excess of the monthly minimum requirement and pass on charges are billed at the end of the billing period and all other charges are billed monthly in advance. All charges are payable and due upon rendition of a bill by the Company and are delinquent fifteen (15) days thereafter. Payments shall be made at or mailed to the address provided in the bill.
2. Customers may provide to the Company those individual end user(s) numbers from among the blocks purchased a list of those which are no longer authorized for use. Such notification shall be made via telephone during normal business hours with a written confirmation to the Company. Such notification shall be effective at 12:01 a.m. on the calendar day following telephone notification. A customer will not be responsible for any charges incurred by a number, once notification is effective.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

K. Late Payment Charge

A late payment charge may be applied to each customer's bill not paid within fifteen (15) days after the date the bill is rendered. The billing date will be printed on the bill and the date rendered shall be the mailing date. The late payment charge is one and one-half (1½%) percent per month and is applied to the total unpaid amount carried forward. It will be included in the total amount due on the current bill. (See also Paragraph III, F.1)

L. Returned Check Charge

When payment for service is made by electronic fund transfer, check, draft or similar negotiable instrument, a charge of twenty-five (\$25.00) dollars per one thousand (\$1,000.00) dollar payment, or per instrument, whichever is greater, will be applied to each such item returned or not honored by a bank for any reason. This charge is in addition to the late payment charge which may be applicable and is without limitation of any additional collection rights or causes of action which the Company may have including, but not limited to, the statutory collection rights set forth in A.R.S. Section 12-671.

M. Telephone Numbers

The customer or authorized user has no property right in the telephone number. The Company reserves the right to assign, designate or change such number(s) when reasonably necessary in the conduct of its business.

N. Timing of Calls

1. Air time usage is billed for cellular originating or cellular terminating calls.
 - a. Chargeable time for cellular originated calls begins when a connection is established to the Mobile Telecommunications Switching facilities and ends when the cellular unit disconnects.
 - b. Chargeable time for calls received by a cellular unit begins when the call is answered and ends when the connection is released by timing equipment in the Mobile Telecommunications Switching Office.
2. Usage on each call is billed in one-tenth (1/10) minute increments.
3. When a connection is established in one rate period and ends in another, the rate in effect for each period applies to the portion of the connection occurring within each rate period.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

III. CONDITIONS (Cont'd)

O. Use of Marks

The customer, unless authorized in writing, shall refrain from directly or indirectly holding itself out as, or otherwise creating, the impression that it is sponsored, authorized or endorsed by, affiliated with, or an agent of the Company.

IV. RATES AND CHARGES

A. Service Plan

1. This tariff allows for the purchase of bulk or wholesale cellular service. Customers may repackage, reprice, resell and/or distribute the service to others provided that such activity is in compliance with this tariff and any other rules and regulations imposed by the State or other regulatory bodies having jurisdiction of customers' activities.
2. Service is provided, subject to compliance with credit and/or deposit requirements satisfactory to the Company, to any person, firm or corporation who wished to become a customer and assume responsibility for payment of charges to the Company.
3. In the event of an interruption of service, for a period of twenty-four (24) hours or longer, a credit allowance will be made, at the customer's request. (See Paragraph III, Conditions; C.2)

B. Advance Billing

1. Billing for access and minimum usage is monthly in advance of service. One thousand dollars plus twenty-five (25) billed hours of peak hour usage per block of twenty-five (25) access numbers will be billed in advance. If actual usage exceeds the minimum requirement, the customer will be billed the difference. The customer will not be credited for any usage that is less than the twenty-five (25) billed hours of peak hour usage per block of twenty-five (25) access lines, or its equivalent.

C. Time of Day Usage Sensitive Rates

Applicable rates are based on the time of day and day of the week as follows:

1. Peak Period
 - a. 6:00 a.m. to, but not including, 7:00 p.m.
Monday through Friday

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

IV. RATES AND CHARGES (Cont'd)

C. Time of Day Usage Sensitive Rates (Cont'd)

2. Off-Peak Period

- a. 7:00 p.m. to, but not including, 6:00 a.m.
Monday through Friday, all day Saturday and
Sunday, and Holidays as outlined below:

New Year's Day (January 1)
Independence Day (July 4)
Thanksgiving (4th Thursday in November)
Christmas (December 25)

D. Access Numbers

Service is available for purchase in blocks of twenty-five (25) numbers. The minimum initial service is two blocks of twenty-five (25) numbers each, for a total of fifty (50) numbers. Subsequent purchases may be in blocks of twenty-five (25) numbers.

A block of access numbers may contain access numbers with different area codes and/or prefixes (NPA/NXX codes).

Monthly rate per block of twenty-five (25) numbers,
\$1,000.00.

E. Usage

1. Peak hourly usage, per hour, \$24.00 (\$0.40/minute).
2. Off-peak hourly usage, per hour, \$18.00
(\$0.30/minute).

Minimum monthly usage requirement is twenty-five (25) billed hours of peak hour usage or equivalent per block of twenty-five (25) numbers. Usage on each call is rounded to the next highest one-tenth (1/10) minute and is billed in one-tenth (1/10) minute increments.

F. Minimum Monthly Charge

1. Minimum monthly charge per block of twenty-five (25) numbers is \$1,000.00 (access) plus twenty-five (25) billed hours of peak hour usage or equivalent, less applicable discounts.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

IV. RATES AND CHARGES (Cont'd)

F. Minimum Monthly Charge (Cont'd)

2. A discount may be applied to both access and usage charges and will be within the ranges outlined in paragraphs F.4 and F.5 as specified below. The actual level of discounts at any one period of time will be on file with the Arizona Corporation Commission and may be changed upon fifteen (15) days notice, as long as they are within the ranges specified.
3. Discounts are applied to both access and usage rates. All discounts will be available to all customers on a nondiscriminatory basis and will be made available to all uniformly.
4. Access % Discount Range
Per block 00% - 50%
5. Usage
Per hour of usage 00% - 50%
Roaming, per minute 00% - 50%
6. The above discounts will be applied monthly, based on billed usage.
7. Discounts for access and usage are calculated independently and applied toward the billed amount for access and usage.
8. Additional Discounts for Continuous Periods of Service (CPS):

<u>0-12</u>	<u>13-24</u>	<u>25-36</u>	<u>37-48</u>	<u>49-50</u>	<u>61-72</u>
<u>months</u>	<u>months</u>	<u>months</u>	<u>months</u>	<u>months</u>	<u>months</u>
0-2%	0-2%	0-3%	0-4%	0-5.5%	0-7%

- a. CPS Discounts will be applied annually as of the anniversary date of the first purchase of a customer's block of numbers.
- b. CPS Discounts will be in the form of a credit towards the following month(s) bill.
- c. CPS Discounts are applied to access and usage billed within the previous calendar year.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

IV. RATES AND CHARGES (Cont'd)

F. Minimum Monthly Charge (Cont'd)

8. (Cont'd)

d. CPS Discounts are in addition to those set forth in paragraphs F.4 and F.5.

e. A customer must have at least one (1) block of numbers in service for twelve (12) continuous months to be eligible for a CPS discount.

G. Service Establishment Charge

For first two blocks of	
twenty-five (25) numbers:	\$75.00
For each subsequent block:	\$25.00

H. Service Change Charge

To restore service, change an access number or change the identification number of the mobile radio unit	\$20.00/request
---	-----------------

I. Pass On Charges

The customer is responsible for payment of all charges for services furnished, including any charge from other carriers that can be identified to a specific access number or block. These may include, but are not limited to: toll charges, listing charges, all service charges, or access service charges. Charges will be passed on at the rates and regulations in effect at the time such service is used. All calls will be rated from the rate center containing the cellular access number.

J. Roamer Service

Foreign Roamers and Credit Card Roamers

1. Per minute of usage	2. Other Charges
Peak \$0.65	Credit Card Roamers
Off Peak \$0.65	Set-up Charge \$5.00

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

IV. RATES AND CHARGES (Cont'd)

J. Roamer Service (Cont'd)

Follow-Me-Roaming

1. The Follow-Me-Roaming feature is an optional service available to foreign roamers that wish to receive inbound calls automatically from their home service area while roaming in Company's Mohave System. All other rates, terms and conditions apply to the Follow-Me-Roaming feature except as modified in this Section J.

K. Miscellaneous

1. From time to time, the Company shall enter into an Inter-carrier Agreement with other facilities-based carriers. In the event that such agreements specify charges other than those set forth herein above, the Company shall file such Agreements with the ACC for approval.
2. In the event there is a conflict between this tariff and the rules or regulations of any regulatory agency having jurisdiction, the rules or regulations shall prevail.

(N)

CELLULAR RADIO TELECOMMUNICATIONS SERVICE

(N)

IV. RATES AND CHARGES (Cont'd)

K. Discounts

1. Discounts on charges for both blocks of access numbers and usage are available to customers.

L. Special Features

Rate per month
per access number

Incoming Call Restriction	1.00
Outgoing Call Restriction	1.00
NPA (toll) Restriction	1.00

Call Forwarding, Call Waiting, and 3-Way Calling will be available upon request without additional charge.

The minimum contractual period for all special service is one month.

Service establishment and change charge (for special service feature activation change and establishment).

Per order including up to twenty-five (25) requests	\$25.00
---	---------

M. Other Miscellaneous Charges

Directory Assistance - \$0.50/call.

(N)

AFFIDAVIT OF LEX J. SMITH

I, Lex J. Smith, being first duly sworn, do hereby declare under penalty of perjury that the following is true and correct:

1. I hereby submit this Affidavit to be filed with the Federal Communications Commission as part of the Opposition of Mohave Cellular Limited Partnership to the Arizona Corporation Commission's ("ACC") Petition to Extend State Authority Over Rate and Entry Regulation of All Commercial Mobile Radio Services in PR File No. 94-SP2. I am Mohave Cellular's outside counsel for regulatory telecommunications and all public utility matters in Arizona. In particular, I have represented three cellular providers in legal and regulatory matters including various appearances before the ACC.

2. I obtained a Juris Doctor degree in 1970 from the University of Arizona College of Law, where I served as Note and Comment Editor of the Arizona Law Review.

3. I began the practice of law at the firm of Evans, Kitchel & Jenckes, P.C. in Phoenix, Arizona, and almost immediately began to specialize in public utility law. I became a partner at Evans, Kitchel & Jenckes, P.C. in 1975 and continued practicing in the public utility law field. In October, 1988, I left Evans, Kitchel & Jenckes, P.C. to become a partner in the Phoenix law firm of Brown & Bain, P.A., where I continue to specialize in regulated industry law and public utility law, including telecommunications law and regulation.

4. During the last twenty (20) years, representation of public utility companies in the telephone, electric, water,

wastewater and natural gas industries has comprised a substantial part of my law practice.

5. I have reviewed various official records of the ACC maintained on file with the Docket Control Division, including docket sheets of (1) all currently certificated cellular radio communications providers in Arizona and (2) all previously regulated radio paging and mobile radio telephone carriers in Arizona.

6. In my review of the ACC records, I found no instance in which any certificated cellular provider in Arizona ever presented a rate case to the ACC in order to obtain authority for initial rates and charges or validate existing rates and charges or establish new ones.

7. In my review of the ACC records, I found no instance in which the ACC "prescribed," "established" or "set" rates for cellular providers by establishing a fair value rate base for the properties devoted to public service and setting a reasonable rate of return to be earned on the value of such properties.

8. In my review of the ACC records, I ascertained that the only "rate" regulation exercised by the ACC over cellular providers is the review and approval of "wholesale" price sheets submitted by the providers. The ACC does not "prescribe," "establish" or "set" such "wholesale" prices but rather, as a tariff requirement, reviews and approves the price sheets. The "wholesale" price sheets contain substantial discounts (ranging from zero to more than 70% in some instances) for usage and access.

9. In my review of the ACC records, I found no instance in which the ACC has regulated the retail providers (including